

City of Alexandria, Virginia

MEMORANDUM

DATE: OCTOBER 3, 2012

TO: MEMBERS OF THE TRANSPORTATION COMMISSION

FROM: SANDRA MARKS, ACTING DEPUTY DIRECTOR, T&ES

SUBJECT: AGENDA ITEM #3 - FUNDING UPDATE & ACTIONS OF MAJOR TRANSPORTATION BODIES

ISSUE: Update of funding and actions of major transportation bodies.

RECOMMENDATION: That the Transportation Commission receive the report.

DISCUSSION: This memorandum provides a brief monthly update on funding and/or actions of major regional transportation bodies that relate to Alexandria.

General updates on funding-related issues of local, regional and national importance are provided below. Attachment 1 is the Commission's regular Monthly Update of Regional Transportation Board Major Actions and Funding.

City: City Council

At the City Council meeting of September 11, 2012, the City Council endorsed the TransAction 2040 Regional Plan.

At the City Council meeting of September 27, 2012, the City Council approved the Alexandria submission for CMAQ-RSTP plan of FY2014-FY2019.

City Council also approved the execution of operating and capital funding agreements between DRPT and the City. These agreements require that DRPT funding be sent to an account in the City's name, rather than directly to NVTC. DRPT has agreed to allow NVTC to have direct access to those accounts to manage and reallocate the northern Virginia jurisdictions' funding according to the Subsidy Allocation Model. Jurisdictions are required to request in writing that NVTC continue to act as their agent.

State: Commonwealth Transportation Board (CTB)

At its meeting of September 19, 2012, the CTB received a briefing on the implications for the Commonwealth of MAP-21, which consolidated the Transportation Enhancements, Safe Routes to Schools, and Recreational Trail programs into a "Transportation Alternatives" program. Challenges noted included:

- Combining three programs into one means more activities are competing for fewer resources;
- Numerous TE, Safe Routes, and Trail projects are already in the pipeline for funding, and some many no longer be eligible; and
- Changing eligibility criteria.

State: Department of Rail and Public Transportation

DRPT provided a briefing to all of the Commonwealth transportation and transit agencies on a report resulting from SJR297. The General Assembly passed SJR 297 in 2011. The legislation directed DRPT to look into four major questions surrounding transit funding: (1) Should there be a new, performance-based system of allocating DRPT funds? (2) Should DRPT have authority to establish capital grant priorities? (3) Should there be a reserve of funding to minimize fluctuations? Thus far, DRPT's study has largely focused on the first question.

Historically, operating assistance has been allocated based on local operating expenses. DRPT's proposed new approach for allocating operating assistance would provide 50% of funding based on operating expenses and ridership and 50% based on various performance measures. DRPT has proposed six peer groups based on size and other factors. Local transit agencies would compete for funding among other agencies in their peer group based on performance. We have several concerns with the proposed approach:

1. Inability to predict future state aid and ensure budget stability for local transit agencies;
2. Integrity of data that will be the basis of funding decisions is questionable;
3. Disincentive for transit providers to add service because new service traditionally is less productive in the first several years;
4. Peer groups do not control for many factors, such as prevailing wage.

A final report – and possibly language in the budget – is anticipated during the upcoming General Assembly session.

Regional: Transportation Planning Board (TPB) and Northern Virginia Transportation Authority (NVTA), Northern Virginia Transportation Commission (NVTC) , Washington Metropolitan Area Transit Authority (WMATA) and Northern Virginia Regional Commission (NVRC)

Transportation Planning Board (TPB)

The Transportation Planning Board received an update concerning setting safety margins for mobile emissions budgets for fine particulate matter, on a revised method of designating major activity centers, and on a new program to study bus operations on the shoulders of expressways.

Washington Metropolitan Area Transit Authority (WMATA)

The WMATA Board approved a revision to the budget of the Potomac Yard Metrorail station EIS project. The Board also authorized its staff to hold public hearings regarding

bus service changes which will increase efficiency throughout the system. Following the implementation of Rush+, the Board received a briefing from staff on a marketing plan to encourage some Blue Line patrons to use the Yellow Line.

Northern Virginia Transportation Commission (NVTC)

NVTC approved a resolution allowing its staff to establish financial accounts with which to receive state funds from DRPT, as an agent for the jurisdictions.

Northern Virginia Transportation Authority (NVTa)

No NVTa meeting occurred in August or September, 2012. The Efficiency and Effectiveness study to review the structure of transportation functions in Northern Virginia developed a draft which was distributed prior to the September 27, 2012 meeting of this group.

Federal: Funding Updates and Grant Notices of Awards

Below is a brief summary of key changes implemented in the new transportation legislation (MAP-21).

Federal-Aid Highway Program

- Distribution of formula funds will be based on each state's share of total highway funds in FY12 (rather than on formula factors)
- TIFIA funding increases significantly from \$122M to \$750M in FY13 and \$1B in FY14
 - o Evaluation criteria are eliminated; funds provided on a rolling application basis

NEPA

- Allows Categorical Exclusions for projects within existing operational ROW
 - o No public participation requirement
- Encourages USDOT to further broaden the list of CEs and to delegate CE determinations to states

Transit

- Funding levels maintained for FY13 and FY14
- Allows FTA to select 3 BRT projects annually to receive an 80% federal share under New Starts
- Streamlines New Starts – the Alternatives Analysis requirement seems to have been removed, though an analysis of project need, land use, and financing is required before or during NEPA
- Establishes a new pilot program for Transit-Oriented Development funded at \$10M (only projects with New Starts funding are eligible)

Bike/Pedestrian

- Creates Transportation Alternatives program, which combines several existing programs (Transportation Enhancements, Safe Routes to School, trails)
 - o Cuts funding for these programs by about 30% (~\$300 million/year)
 - o Use it or lose it funding – states can transfer funds to other programs if there's a significant backlog of Transportation Alternatives funds

CMAQ Funds

- Allows states to transfer up to 50% of CMAQ funds to other programs
- Transit/bike/ped programs will therefore have more competition for these types of funds
- Removes current prohibition to use CMAQ funding on SOV lanes

STP Funds

- Permits use for bridges off the federal-aid system

Estimated Virginia Apportionments under MAP-21

Program	FY12	FY13	FY12-FY13 % Change	FY14	FY13-14 % Change
National Highway Performance*	\$575,600,000	\$575,900,000	0.1%	\$580,800,000	0.9%
STP	\$237,100,000	\$264,900,000	12%	\$267,100,000	0.8%
CMAQ	\$55,600,000	\$52,800,000	-5.0%	\$53,200,000	0.8%
Metropolitan Planning	\$6,600,000	\$7,200,000	9%	\$7,300,000	1.4%
Transportation Alternatives	<i>new program</i>	\$21,600,000	<i>n/a</i>	\$21,900,000	1.4%
Total	\$977,600,000	\$ 1,041,800,000		\$ 1,051,300,000	0.9%

*National Highway Performance Program combines Interstate Maintenance, National Highway System, and aspects of the Bridge Replacement Program; FY12 may not be directly comparable to FY13/14